



Revision number:

Purchasing Agent: David Gill
Phone: (801) 538-3254
Email: dgill@utah.gov

Item: Medical, Hospital and Personal Care Items

Vendor: 68453J Physicians Sales and Service
3044 South 1030 West
Salt Lake City, UT 84119

Internet Homepage: www.pssd.com

Contact: Darin Sharp
Telephone: 801-977-0848
Fax number: 801-908-0562
Email address: dsharp@pssd.com

Reporting Type: Line-Item

Price: See Section 2.2 "Pricing"
See Section 2.2.6 dollar limit

Terms: Net 30 days
Effective dates: 7/01/06 – 7/01/09
Potential renewal options remaining: Two 1-year renewals; 7/01/11 maximum
Days required for delivery: Usually 1-2 days (See Section 4.4 "Distribution")
Price guarantee period: Six months from 7/01/06
Freight and minimum order: See Section 4.4 "Distribution"
Other conditions: See Sections 3.3, 5.5, Disaster Relief Plan

This is a new contract

BID NO. GL6041

State agencies will place orders directly with the vendor (creating a PG in Finet) and make payments for the same on a PV referencing the original PG. Agencies will return to the vendor any invoice which reflects incorrect pricing.



A Summary of PSS's Responses and Commitments

Pricing	2.2
Ordering	3.3
Distribution	4.4
Returned Goods Policy	4.4.5
Sales Support	5.5
Disaster Relief Plan	

Definitions:

- "PSS" is Physician Sales and Service
- "MMCAP" is Minnesota Multi-state Contract Alliance for Pharmacy
- "GPO" is a Group Purchasing Organization and is similar to a co-op. MMCAP is a GPO

Section 2.2 – Pricing

2.2.1 This contract is based on MMCAP pricing. PSS charges the state MMCAP prices plus a distribution fee of 8.9% set by a contract between PSS and MMCAP.

2.2.2 For items not available through MMCAP, PSS charges the state a discount against "List Price". The discount may vary, based on product line. In most cases, this discount will exceed 25%. Because the prices for each account will be set to such rule, this discount will be reflected in the price found online, or through their PSS Representative. These prices shall remain consistent, for any customers accessing the State contract. For Audit purposes, PSS will set up a master list for the State.

2.2.3 Net pricing to the state may be accessed at the PSS website
<<http://www.mypssd.com/>>.

Historical prices and transactions will be retained on the PSS website for each account.

2.2.4 MMCAP net/raw prices and historical prices may be verified at the MMCAP website www.mmcap.org.

2.2.5 All prices include delivery, sales representation, all costs, and all PSS services offered under the contract.

2.2.6 All items available through MMCAP which are within the scope of this contract are part of this contract as though they had been included in the bid. **Items within the scope of this contract are "medical, hospital and personal care items" with an each-price value of \$1,800.00 dollars or less. Items above that value must be bid separately.**

2.2.7 Break-bulk quantities in the lowest unit of measure (LUM) packaged (safe and sterile) by the manufacturer is a requirement of the contract.

2.2.8 Pricing for packaging levels are/must be multiples of each other. For example, if an Item is packaged by EA, 10 EA per BX, and 10 BX per CS, the EA price is 1/100th of the CS price and a BX is 1/10th of the CS price.

2.2.9 Non-GPO items quoted are based on standard distribution cost. Mark-ups will not change unless standard cost changes usually cost increases from manufacturers occur January 1st or June 1st in any given calendar year. Non-GPO item rules apply for all products. The distribution



fee will remain the same regardless of cost changes in increase or decrease and will be passed along accordingly.

2.2.10 PSS sales representatives will give verbal notice of all price changes roughly sixty days (60) before a price is changed on the web. A written notice will be given to the state purchasing agent. (David Gill at the date of contract award.)

2.2.11 All rebates are calculated into the net price at point of sale.

2.2.12 Additional .5% discounts will be given when the State total purchase volume reaches these levels in a given fiscal year (July to June).

\$500,000> additional .5% \$600,000> additional .5%

These discounts will be included in the net prices on the PSS web.

2.2.13 A compliance percentage will not be required for either contracted or non-contracted products.

2.2.14 Pricing will remain the same under the distribution cost plus mark up when the State purchasing card is used.

Section 3.3 – On-line Catalog and Ordering

3.3.1 An on-line catalog and on-line ordering are available under this contract.

3.3.2 All pricing will reflect the contract and non-contract products under the cost plus automatically on the website

3.3.3 The web site easily shows the quantities available for each package level (EA, BX, CS, etc.) and corresponding prices.

3.3.4 The web site shows what is in stock at the warehouse(s) located in Utah and at other PSS warehouses close to Utah

3.3.5 PSS offers a personalized usage list.

3.3.6 Fill rates, in-stock items, estimated delivery times for non-stock, etc. be seen on line.

3.3.7 Smart Scan bar-coding with scanners, inventory management, MSDS sheets and customized reporting are also offered.

3.3.8 Unused in this summary.

3.3.9 Orders may also be placed by phone, fax, local customer service and via sales representatives.

3.3.10 All needed education and training will be provided via sales representatives and local management. A twenty four (24) customer support line exists for trouble shooting and training. The phone number is (888) 477-7342. Press 1 for "mypss.com" and press 2 for "Smartscan".



Section 4.4 – Distribution

4.4.1 No minimum order size exists unless the manufacturer of a special order item requires a minimum order size.

4.4.2 The cut off for next day delivery on standard orders will be 4:00pm that business day. Orders received after that time will be second day delivery.

4.4.3 Our fill rate is defined as core commodity (common to most customers) products stocked in the Salt Lake City distribution center including products exclusive to the State of Utah. PSS guarantees a fill rate of no less than 98% on these products.

4.4.4 Non-stock products will usually be delivered within two weeks from the date of purchase depending on the method of freight agreed upon.

4.4.5 A ninety (90) day return policy is standard for stocked Salt Lake City products assuming the product is returned in good condition and is resalable. Non-stock items may be subject to a restocking fee usually implemented by the manufacturer

4.4.6 The emergency plan is a separate attachment.

4.4.7 All products will be delivered by company vehicle to locations within 100 miles of the Salt Lake City distribution center. Beyond that distance and drop-ship items will be delivered by rapid delivery common.

4.4.8 The status of each order be sent to the ordering facility on the day the order is placed.

Section 5.5 – Sales Support

5.5.1 PSS will provide sales support that is prompt (same day) to answer questions/ resolve issues unless the answer requires manufacturer's assistance and the time zone difference will not allow a same day response. In that case a next day response will be provided.

5.5.2 PSS will provide sales support with expertise in the workings of the PSS Utah warehouse facility, its operation, products offered, the application/use of those products and with the ability to consult with facilities on cost saving and efficiency measures.

5.5.3 PSS will provide sales support with experience in serving all sizes of facilities, large to small. All facilities will be treated equally as a State of Utah customer.

5.5.4 All facilities will either be visited by a representative weekly or bi-weekly base upon individual wants and needs.

5.5.6 PSS will monitor closely and provide extra people as needed to smooth the transition into a new Contract and provide individualized attention for each ordering facility.



FINET COMMODITY CODE(S): For Agency use only

46500000000 – HOSPITAL AND SURGICAL EQUIPMENT, INSTRUMENTS, AND SUPPLIES

47000000000 – HOSPITAL AND HANDICAP EQUIPMENT AND SUPPLIES: MOBILITY, SPEECH
IMPAIRED, AND RESTRAINT ITEMS

47500000000 – HOSPITAL, SURGICAL, AND RELATED MEDICAL ACCESSORIES AND SUNDRY ITEMS

REVISION HISTORY:



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Branch SLC

Branch # 1066

Date of completion 03/08/2006

Purpose

The Disaster Contingency Plan is a guide in a disaster situation. A disaster could be power outages or total branch destruction due to a tornado, hurricane, blizzard, fire, earthquake, mudslide, avalanche, sandstorm, flooding, or tsunami (tidal wave). You might know of the impending danger, or it might occur suddenly. Either way we need to be prepared with quick references to contacts, supplies, and procedures. Our first priority in a disaster situation is always our employees, then our customers and our assets. Each situation differs. Being prepared is critical.

Administrative Duties

Cindy Lee is responsible for updating and maintaining the Disaster Contingency Plan on an annual basis or a personnel change.

This plan will be located in the break room on the fridge making it accessible to all employees.

Disaster Coordinator

- Each branch will have a Disaster Coordinator and a back up.
 - The Disaster Coordinator for this facility is Gary Boswell.
 - The back up Disaster Coordinator is Cindy Lee.
- The Disaster Coordinator's responsibilities will include the following:
 - Ensure that disaster supplies are on hand and available
 - Contact person in the event of an disaster
 - Communication to employees at the branch in the event of a disaster – This person will need to keep a list of all branch employees and their contact #s
 - Communication to Field Support
 - Insure the Emergency Action Plan is being followed
 - Place calls to emergency services
 - Contact person for assistance with an effected branch
 - Any additional emergency actions



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Emergency Contact Information

Service Provider	Account #	Phone #
Emergency - Police/Fire/Ambulance		911
Phone Company	Qwest	1-800-603-6000
Electric Company	Utah Power	1-877-548-3768
Gas Company	Questar	1-877-548-3768
Water Company	Eckman Mitchell	801-908-0604
Landlord	Eckman Mitchell	801-908-0604
Non emergency - Police	South SLC	801-840-4000
Non emergency - Fire	South SLC	801-840-4000
Trash Service/Disposal	Allied Waste	801-972-4234
General Contractor		



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Employee Contact Information

Name of Employee (including Sales Representatives)	Home #	Cell Phone #
Matt Golz (OP's Leader)		801-301-9058
Darin Sharp (Sales Leader)		801-608-1148
Gary Boswell (DL)	801-356-9352	901-301-9914
Justin Russell (ICS)	801-569-1705	801-706-2524
Tyrone Lemons (Night Shift)		801-577-2359
Tayna Graham (AR)		801-694-3918
Cindy Lee (CS)	801-250-0213	801-440-6162
Heather Cordova	801-563-8461	801-680-6234
Manuel Cordova	801-563-8461	801-205-3600
Judy Hanson	801-969-1015	
Jacob Houtz	801-965-1157	801-842-8353
Brandon Jukes		801-967-0806



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Chris Pratt	801-262-4243	801-599-7254
Kelly Rodgers	208-345-6403	208-713-5477
Dan Stevens		801-548-4108
Ken Silvers	208-467-6880	208-989-8851
Jaymie Waters		801-808-1700
Todd Albiston (Rep)	801-942-3786	801-718-0930
William Beecher (Rep)	435-755-5160	801-243-2457
Daniel Bertcsh (Rep)	801-572-3038	801-243-3053
Casey Bilbro (Rep)	801-785-4942	801-787-9674
Greg Dorius (Rep)	801-298-1283	801-560-5486
Brian Downey (Rep)	208-356-7023	208-313-1504
Robert Fischer (Rep)	208-734-1284	208-420-8060
James Gibson (Rep)	208-323-1424	208-890-2050
Kaleo Panoke (Rep)	801-274-8144	801-759-4194
Jake Speelmon (Rep)	208-337-5892	208-867-8037

Disaster Contingency Plan

Kerby Sudduth (Rep)	208-938-3938	208-869-4528
Steve Virtue (Rep)	208-338-6625	208-631-5617
Les Watson (Rep)	801-292-9269	801-540-5780
Brad Wiles (Rep)		801-898-0655

Position	Name	Work Number	Emergency Number	E-mail
Disaster Coordinator	Gary Boswell	801-973-0579 ext. 111	801-301-9914	gboswell@pssd.com
Backup Disaster Coordinator	Cindy Lee	801-973-0579 ext. 103	801-440-6261	pssslccs@pssd.com
Sales Leader I	Darin Sharp	801-973-0579 ext. 109	801-608-1148	dsharp@pssd.com
Sales Leader II				
Sales Leader III				
Operations Leader	Matt Golz	801-973-0579 ext. 113	801-301-9058	mgolz@pssd.com
Distribution Leader	Gary Boswell	801-973-0579 ext. 111	801-301-9914	gboswell@pssd.com
ROVP	David Marriott	480-824-3034	480-824-3034	dmarriott@pssd.com
RVP Sales	Jay Monaco	949-400-3242	949-400-3242	jmonaco@pssd.com
Director of Operations	Josh Horton	904-380-4820	TBD	jhorton@pssd.com
Communication Specialist (phones)	Shannon Wood	321-663-6752	321-663-6752	swood@pssd.com



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

Purchasing Director	Theresa Holstead	904-332-3180	904-472-5181	tholstead@pssd.com
VP of Investor Relations	Robert Weiner	904-332-3031	904-386-0524	rweiner@pssd.com
Human Resources Director	Ann Christante	904-332-3410	904-472-6383	achristante@pssd.com

The three closest branch's Operations Leaders and their Disaster Coordinators:

Branch	Branch Phone Number	Operation Leader	Disaster Coordinator	Backup Disaster Coordinator
Denver	303-375-7774	Mike Baker	Mike Baker	Matt Richards
Sacramento	916-617-4311	Scott Hebisen	Mike Stiles	Jean Bazdresch
Phoenix	602-232-4899	Gil Howie	Gill Howie	Linda Weber



Disaster Contingency Plan

A list of employees that would be willing to travel to another branch to help in a disaster situation:

Employee	Contact #	Employee	Contact #
Matt Golz	801-301-9058		
Cindy Lee	801-440-6261		
Justin Russell	801-706-2524		
Gary Boswell	801-301-9914		

****Those who volunteer to travel in a disaster situation will be contacted and the situation will be discussed before plans are finalized.**

In a disaster, your orders might be transferred to an alternate branch for delivery. In this situation, the affected branch, CP, and the shipping branch will have a conference call to fill out the following “Alternate Branch Delivery Plan” template to coordinate the transfer of orders. The template is located on PSSBRCommon in the Disaster Contingency file.

Route Code	Ship to Location	Alternate Distribution Branch	Shipping Method	Alternate Branch Route #	Customer / Sales Order Cut Off Time	Alt Branch & Purchasing Last Print for Shipping Cut Off	NORMAL PICKING/SHIPPING DAY Indicate the days you ship this route. (Y/N)				
							Monday	Tuesday	Wednesday	Thursday	Friday
001	Mobile	Atlanta	LTL	61	2:00 pm CST	4:30 pm EST	Y	Y	Y	Y	Y
002				62			Y	Y	Y	Y	Y
003				63			Y	Y	Y	Y	Y
004				64			Y	Y	Y	Y	Y
005				65			N	Y	N	N	N

Equipment and Supplies

Refrigerated truck – A refrigerated truck might be needed to keep refrigerated products from spoiling. Contact two sources in your immediate area and one source in a city some distance away. Understand how they handle disaster situations.

- 1st Therm King Reqrigeration phone#801-363-1963 Contact: Mark.
- 2nd Penske Truck Rental phone#801-972-2202.
- 3rd Commercial Refrigeration phone#801-898-9990 Contact: Bryan.



Disaster Contingency Plan

- Time is of the essence for securing a refrigerated truck. Call and reserve a refrigerated truck at first indication of a possible power outage. The only available refrigerated truck might be a few hours away.
- If the power outage is expected to last an extended amount of time, pick up the refrigerated truck.
- Transfer all refrigerated products to the truck to prevent spoilage.
- A temperature log must be maintained for the refrigerated truck.
- If you are unable to secure a refrigerated truck, limit the amount of time you enter the walk-in cooler to prevent loss of refrigeration. Review the possibility of moving refrigerated product to an alternate PSS or GSMS facility.

Generator – A generator might be needed to power emergency lighting. Contact two sources in your immediate area and one source in a city some distance away. You will need to understand and follow all hookup and usage instructions. Understand how they handle disaster situations.

- 1st source Cat Rental phone # 801-908-8900 Contact: Colby Bryant
- 2nd source Ace Rents phone # 801-375-7530
- 3rd source phone # - - account #

- Time is of the essence for securing a generator. Call and reserve a generator as soon as you have knowledge of an impending power outage. The only available generator might be a few hours away.
- If the power outage is expected to last an extended amount of time, pick up the generator.
- Fill your gas can with the fuel needed to maintain your generator.
- Hook up your floor stand lighting to the generator. The lighting will give you the ability to process emergency orders when the power is out.

Emergency Supplies

- The emergency supplies that every branch must have on hand are:
 - Flashlights
 - Batteries – for the flashlights
 - Floor stand lighting
 - First aid kit
 - Large gas can for a generator

Gasoline

- If you know of a potential disaster/power outage (hurricane, blizzard, etc.), be sure to have all the vans full of gas. Gas stations might not be open due to gas shortages or power outages.



Disaster Contingency Plan

Communication

Phone and Fax lines – The branch's phone and fax line might need to be forwarded to a voice recording or an alternate branch in a disaster situation.

- All toll free numbers can be forwarded.
- A branch with their main phone and fax lines not on a DID service can have their main line forwarded. The toll free numbers will transfer when you transfer the main line.
- A branch with DID service can only forward their main lines if they have power. You will need to contact the Communication Specialist to have this line forwarded. We are researching a solution for forwarding DID service lines when the power is down.
- For DID service branches, AT&T's Service Assurance Hotline will need to be called to transfer toll free numbers at a DID branch. AT&T is our service provider for all toll free numbers. List all the toll free phone and fax numbers your customers use to contact customer service.

Toll Free phone Numbers	Toll Free fax Numbers
1-800-222-3000	1-800-838-6343

If you need your phone and fax lines forwarded, call the Communication Specialists Shannon Wood or Clay Reeves first.

- Shannon Wood is at 321-663-6752
- Clay Reeves is at 904-332-3428

If the Communication Specialists cannot be reached, the branch can forward their lines. Use the following information for forwarding:

To transfer lines at a non-DID service branch

- The call in number to have the phone line forwarded is ____ - ____ - ____, the password is ____, and the feature code is ____.
- The call in number to have the fax line forwarded is ____ - ____ - ____, the password is ____, and the feature code is ____.

To transfer back lines at a non-DID service branch

- The call in number to have the phone line transferred back is ____ - ____ - ____, the password is ____, and the feature code is ____.



Disaster Contingency Plan

- The call in number to have the fax line transferred back is [REDACTED], the password is [REDACTED], and the feature code is [REDACTED].

To transfer toll free numbers at a DID service branch

- Call AT&T's Service Assurance hotline at 800-222-3000 or 800-838-6343

To transfer a DID main branch line when the power is still on

- Contact the Communication Specialists

Communication to the field – In a disaster, it is essential that all of PSS World Medical is aware of your situation.

- A call will need to be made to IT (904-332-3300) to have an e-mail sent to the field stating that you are experiencing a power outage.
- If you are experiencing a prolonged power outage, you will need to set scheduled conference calls with all key personnel in Field Support. This will serve as a status and procedure update. Calls should be scheduled every 3-6 hours.

Communication to the customers – Depending on the situation, your phones will be forwarded either to a voice recording or to an alternate branch. All key personnel will decide on this.

- **Voice recording at the branch** – A voice recording can be set up to inform your customers and employees of a temporary closer.
- **Voice recording at corporate** – In a short-term power outage or closer, your phone line can be forwarded to a voice recording in Jacksonville. This will inform your customers and employees of your situation.
- **Voice recording with message capability** – Your main phone line can be set up with voice recording capability. This will give your customer the ability to leave a message. These messages will be monitored and returned.
- **Forwarded to an alternate branch** – Your main phone and fax line can be forwarded to an alternate branch. This branch will be able to inform your customers of your situation and process orders. IT will set up this branch with temporary logins so they can assist your customers.

Communication to the Sales Reps – An established toll-free line will be created for Sales Representatives to call to get a recording update on upcoming conference calls or branch status.

- 800-810-7933 Toll-free Disaster Contingency Line

The conference call will serve as a status and procedure update.



PHYSICIAN SALES & SERVICE, INC.

Disaster Contingency Plan

- The call in number is (877)-477-0940.
- The conference call code is 0456789.
- The leader pin is 0456

Communication to employees – An established toll-free line will be created for Sales Representatives to call to get a recording update on upcoming conference calls or branch status.

- 800-810-7933 Toll-free Disaster Contingency Line

The conference call will serve as a status and procedure update.

- The call in number is (877)-477-0940.
- The conference call code is 0456789.
- The leader pin is 0456

Communication to the press/media - The Disaster Coordinator needs to contact the VP of Investor Relations, Robert Weiner, with an assessment of any disaster situation. If you are contacted by the media/press, do not provide any information or say “no comment”. All media/press inquiries need to be directed to Robert Weiner.

- Robert Weiner: (Office) 904-332-3031, (Cell) 904-386-0524

Transportation and Hotels in an evacuation - If a potentially dangerous storm is approaching and there is a need to evacuate, you can contact the travel department between 8-5 EST at 904-332-3334 or after hours at 877-824-5842 to arrange for transportation and hotel needs.

Inventory

- Most State's Pharmacy Boards require that you keep a step-by-step log of the procedures you followed to maintain and secure your inventory. This includes maintaining a temperature log.

Order Delivery

Short-term power outage

1. All orders will be put on hold until your power is back on.



Disaster Contingency Plan

2. Sales Support will be on hand to drop ship any emergency orders from one of the three closest branches.

Long-term power outage/Major Disaster - Depending on the length of the power outage, the orders will either be placed on hold or transferred to alternate branches. If the branch is no longer functional, operations might be set up at a nearby PSS or GSMS facility.

1. If the branch is out of power for a prolonged amount of time, CP will begin transferring orders to alternate branches.
2. The transfer of orders to an alternate branch will be decided on a conference call between the affected branch, CP, and the shipping branch. The discussion will include a cut off time, method of delivery, and the branches that will be helping in the process. The "Alternate Branch Delivery Plan" template will need to be filled out to coordinate the transfer of orders.
3. If the branch has to evacuate and the power is still on, the branch will need to make sure all orders are updated. This will help in the transferring of orders to an alternate branch.
4. Temporary JDE logins will be assigned to the personnel at the assisting branch. These logins will give the assisting branch the ability to place orders, work AR, and process orders for the affected branch.
5. Some of your employees might have to travel to the alternate branch to help with the increased workload.

Diversion of orders back to the affected branch

1. When the affected branch is close to being restored to working order, CP will discontinue the transfer of orders depending on the transit time.
2. All employees will need to be on call for when the branch is back on line.

State of Utah

Bid GL6041-1

Vendor: **Physician Sales and Service**

State of Utah Invitation to Bid State Cooperative Contract

Company Name Physician Sales & Service		Federal Tax Identification Number 592280364	
Ordering Address 3044 South 1030 West	City Salt Lake City	State UT	Zip Code 84119
Remittance Address (if different from ordering address)	City	State	Zip Code
Type <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship <input type="checkbox"/> Government	Company Contact Person Darln Sharp		
Telephone Number (Include area code) 801-977-0848	Fax Number (Include area code) 801-908-0562	Email Address dsharp@pssd.com	
Discount Terms (for bid purposes, bid discounts less than 30 days will not be considered)		Days Required for Delivery After Receipt of Order (see attached for any required minimums) <i>See Section 4.4</i>	
Brand/Trade Name PSS		Price Guarantee Period (see attached specifications for any required minimums) <i>6 months from June 2006</i>	
Minimum Order <i>SEE 4.4</i>		Company's Internet Web Address <i>www.pssd.com</i>	
The undersigned certifies that the goods or services offered are produced, mined, grown, manufactured, or performed in Utah. Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> . If no, enter where produced, etc.			
Offeror's Authorized Representative's Signature <i>[Signature]</i>		Print or type name and title Sales Leader	Date 05-2-06
State of Utah Division of Purchasing Approval <i>[Signature]</i> Douglas G. Richins, Director		Date JUL 06 2006	Contract Number

Note: When approved and signed by the State Director of Purchasing, this document becomes the contract.

INVITATION TO BID - INSTRUCTIONS AND GENERAL PROVISIONS

Questions and Answers Number GL6041

An answer *must* be provided for each question. Place each answer *immediately after* the question in a dark blue font color. Expand the document to allow the space needed.

Section 2.2 – Pricing

2.2.1 For Novation pricing, what tier level are your prices based upon?

9% distribution fee

2.2.2 For the other GPO quoted, what tier level are your prices based upon?

Under the MMCAP GPO is an 8.9% distribution fee

2.2.3 As dictated by Novation, by what cost-plus level mark up are you bound/capped? What mark-up did you use?

Under the Novation/VHA/HPPI nation agreement PSS is not bound to any capped cost plus mark up.

2.2.4 As dictated by the other GPO, by what cost-plus level mark up are you bound/capped? What mark-up did you use?

Under the MMCAP GPO. PSS is bound to an 8.9% distribution fee

2.2.5 Do *all* the UMO\$ prices you provided in this bid include delivery, sales representation, all costs, and all services mentioned in this ITB, and in Offeror's response, and that are available to all general customers?

Yes

2.2.6 For Items based upon a GPO, do the line item prices (UOM\$) offered apply to *all* Items available through that (each) GPO as though they had been included as line Items in the bid request?

Yes

2.2.7 Break-bulk quantities in the lowest unit of measure (LUM) packaged (safe and sterile) by the manufacturer is required. Is that what is being offered?

Yes

2.2.8 Pricing for packaging levels must be multiples of each other. Are *all* (GPO and non-GPO) line item prices (UOM\$) offered in such a way that each packaging level is a multiple of that price? For example, if an Item is packaged by EA, 10 EA per BX, and 10 BX per CS, is the EA price 1/100th of the CS price and a BX 1/10th of the CS price?

Yes

2.2.9 What rules govern the determination of the prices for non-GPO Items? Do these rules apply to all non-GPO Items on the ITB? Do these rules apply to all non-GOP Items that may be purchased under the Contract as though they had been included in the bid request?

Non-GPO items quoted are based off standard distribution cost. Mark-ups will not change unless standard cost changes usually cost increases from manufacturers occur January 1st or June 1st in any given calendar year. Non-GPO item rules apply for all products sold off contract. The distribution fee will remain the same regardless of cost changes in increase or decrease and will be passed along accordingly.

2.2.10 How will customers be notified of price changes and their effective dates? Describe how your price change notification system will work?

PSS sales representatives will notify all price changes. Notification will happen roughly sixty days (60) via verbal notification and be applied to web access at time of change.

2.2.11 Are rebates offered? On what basis is each offered? Please explain in detail. (The state would prefer that any rebate be turned into lower pricing. Where this is not possible the state would still prefer to receive the rebate.)

No rebates will be offered. All rebates will be attached at point of sale under the distribution fee.

2.2.12 The ITB/Contract is not a limitation of distributor's ability to offer special discounts for periodic high-volume purchases. Will such discounts be offered?

Additional discounts will be offered through purchase volume annually:

\$500,000> additional .5%

\$600,000> additional .5%

2.2.13 Explain any compliance level that would be required by each GPO in your Bid.

An eighty percent (80%) compliance will be required for both contracted and non-contracted products underneath the cost plus structure as state in section 2.2.1, 2.2.2, 2.2.3 and 2.2.4.

2.2.14 Can you accept the State Procurement Credit Card (currently VISA) as a method of payment? Will the UOM\$ prices remain the same without additional markup?

Yes. Pricing will remain the same under the distribution cost plus mark up.

Section 3.3 – On-line Catalog and Ordering

3.3.1 Do you offer an on-line catalog and on-line ordering?

Yes

3.3.2 Is it password protected and show exact pricing net of all costs?

Yes. All pricing will reflect the contract and non-contract products under the cost plus automatically on the website

3.3.3 Does it easily show the quantities available for each package level (EA, BX, CS, etc.) and corresponding prices?

Yes

3.3.4 Does it show what is in stock at the warehouse(s) located in Utah and at other Contractor warehouses close to Utah?

Yes

3.3.5 Does it offer a personalized usage list?

Yes

3.3.6 Can usage, fill rates, in-stock items, estimated delivery times for non-stock, etc. be seen on line?

Yes

3.3.7 What other on-line features are offered?

Bar-coding with scanners, inventory management, MSDS sheets and customized reporting

3.3.8 What other features are offered that set you apart from the competition?

Smart Scan bar-coding and ordering including inventory management

3.3.9 For state entities that do not yet have on-line capability, what other ordering options are available?

Orders can be placed by phone, fax, local customer service and via sales representatives

3.3.10 What is Offeror's plan to assist users to become familiar with your on-line capabilities and answer ongoing questions?

All education and training will be provided via sales representatives and local management. Also a twenty four (24) customer support line exists for trouble shooting and training.

Section 4.4 – Distribution

4.4.1 Explain any minimum order requirements.

No minimum order size exists unless a special order item requires a minimum order size from a manufacturer to PSS.

4.4.2 Explain order cut-off time for next day delivery, second-day delivery, etc.

Cut off for next day delivery on standard orders will be 4:00pm that business day and orders after that time will be second day delivery from the Salt Lake City distribution center.

4.4.3 Define "fill rate" and explain Offeror's fill rate guarantee.

Fill rate is defined as core commodity products stocked in the Salt Lake City distribution center even products exclusive to the State of Utah.

PSS will guarantee a fill rate of no less than 98% on products defined above.

4.4.4 For out-of-stock Items, does your system automatically source products from your other facilities on-line real-time? Explain Offeror's system for handling out-of-stock Items. Explain Offeror's delivery time "guarantee" for out-of-stock Items.

Yes. Non-stock products depending on the method of freight will usually be delivered within two weeks from the date of purchase

4.4.5 Provide the details of your return policy.

A ninety (90) day return policy is standard for stocked Salt Lake City products assuming the product is returned in good condition and is resalable. Non-stock items may be subject to a restocking fee usually implemented by the manufacturer

4.4.6 Provide the details of your emergency plan? Explain how individual users may receive the full benefit of that plan.

4.4.7 What is delivered by company owed vehicle? What is delivered by commercial vehicle?

Yes all products will be delivered by company vehicle excluding rural areas over 100 miles from the Salt Lake City distribution center or manufacturer direct drop shipped products

4.4.8 Will the status of each order be sent to the ordering facility on the day the order is placed?

Yes

Section 5.5 – Sales Support

5.5.1 Will Contractor provide sales support that is prompt (same day) to answer questions/ resolve issues? Please elaborate.

Yes. Unless the answer requires manufacturer assistance and the time zone will not allow a same day response. In which case a next day response will be required.

5.5.2 Will Contractor provide sales support with expertise in the workings of the Utah warehouse facility, its operation, products offered, and the application/use of those products? Please elaborate.

Yes. Sales representatives will provide all support the area above in addition to consult with facilities on cost saving measures and efficiency.

5.5.3 Will Contractor provide sales support with experience in serving all sizes of facilities, large to small? Please elaborate.

Yes. All facilities will be treated as one entity un the State of Utah

5.5.4 Explain the type, quality and frequency of contacts to individual facilities.

All facilities will either be visited by a representative weekly or bi-weekly base upon individual wants and needs

5.5.6 Will Contractor monitor closely and provide extra people as needed to smooth the transition into a new Contract and provide individualized attention for each ordering facility?

Yes

STATE OF UTAH



SOLICITATION NO. GL6041

Medical, Hospital and Personal Care Items

RESPONSES ARE DUE PRIOR TO:

Apr 24, 2006 4:19:06 PM MDT

RESPONSES MAY BE SUBMITTED ELECTRONICALLY TO:

www.rfpdepot.com

RESPONSES MAY BE MAILED OR DELIVERED TO:

State of Utah
Division of Purchasing
3150 State Office Building, Capitol Hill
Salt Lake City, Utah 84114-1061

Bid GL6041

Medical, Hospital and Personal Care Items

Bid Number GL6041
Bid Title Medical, Hospital and Personal Care Items

Bid Start Date Apr 7, 2006 12:08:59 PM MDT
Bid End Date Apr 24, 2006 4:19:06 PM MDT

Bid Contact David Gill
Submit all inquiries through RFP Depot Questions & Answers link only.
Purchasing
801-538-3254
dgill@utah.gov

Contract Duration 3 years
Contract Renewal 2 annual renewals
Prices Good for 90 days

Bid Comments In order to have your bid considered you must have a stocked warehouse within the state of Utah.

Questions must be submitted through RFP Depot's "Questions & Answers" link.
Questions received after 1:00 PM on April 24 may not be answered.
Added on Apr 24, 2006:
In a few minutes GL6041 will be canceled and reissued as GL6041-1. It will be extended to close at 2:00 PM on May 4, 2006. Other than that change the reissue is identical.

Changes made on Apr 24, 2006 2:55:10 PM MDT

Item Response Form

Item GL6041-1-01 - Do not respond to this line item. See specification.
Quantity 1 each
Prices are not requested for this item.
Delivery Location State of Utah
Client
51 East 600 North #105
Provo UT 84606
Qty 1

Description
Delivery will be to multiple locations in the state.



State of Utah

Invitation to Bid

State Cooperative Contract

Company Name _____		Federal Tax Identification Number _____	
Ordering Address _____	City _____	State _____	Zip Code _____
Remittance Address (if different from ordering address) _____	City _____	State _____	Zip Code _____
Type <input type="radio"/> Corporation <input type="radio"/> Partnership <input type="radio"/> Proprietorship <input type="radio"/> Government		Company Contact Person _____	
Telephone Number (include area code) _____	Fax Number (include area code) _____	Email Address _____	
Discount Terms (for bid purposes, bid discounts less than 30 days will not be considered) _____		Days Required for Delivery After Receipt of Order (see attached for any required minimums) _____	
Brand/Trade Name _____		Price Guarantee Period (see attached specifications for any required minimums) _____	
Minimum Order _____		Company's Internet Web Address _____	
The undersigned certifies that the goods or services offered are produced, mined, grown, manufactured, or performed in Utah. Yes <input type="radio"/> No <input type="radio"/> . If no, enter where produced, etc. _____			
Offeror's Authorized Representative's Signature _____		Print or type name and title _____	Date _____
State of Utah Division of Purchasing Approval Douglas G. Richins, Director		Date _____	Contract Number _____

Note: When approved and signed by the State Director of Purchasing, this document becomes the contract.

INVITATION TO BID - INSTRUCTIONS AND GENERAL PROVISIONS STATE COOPERATIVE CONTRACT

1. SUBMITTING THE BID: (a) The Utah Division of Purchasing and General Services (DIVISION) prefers that bids be submitted electronically. Electronic bids may be submitted through a secure mailbox at RFP Depot, LLC (www.rfpdepot.com) until the date and time as indicated in this document. It is the sole responsibility of the supplier to ensure their bid reaches RFP Depot, LLC before the closing date and time. There is no cost to the supplier to submit Utah's electronic bids via RFP Depot, LLC. (b) If the supplier chooses to submit the bid directly to the DIVISION in writing: The bid must be signed in ink, sealed in a properly addressed envelope, and delivered to the Division of Purchasing, 3150 State Office Building, Capitol Hill, Salt Lake City, UT 84114-1061 by the "Due Date and Time." The "Bid Number" and "Due Date" must appear on the outside of the envelope. All prices and notations must be in ink or typewritten. Each item must be priced separately. Unit price shall be shown and a total price shall be entered for each item bid. Errors may be crossed out and corrections printed in ink or typewritten adjacent and must be initialed in ink by person signing bid. Unit price will govern, if there is an error in the extension. Written bids will be considered only if it is submitted on the forms provided by the DIVISION. (c) Bids, modifications, or corrections received after the closing time on the "Due Date" will be considered late and handled in accordance with the Utah Procurement Rules, section R33-3-109. (d) Facsimile transmission of bids to DIVISION will not be considered.

2. BID PREPARATION: (a) Delivery time is critical and must be adhered to as specified. (b) Wherever in this document an item is defined by using a trade name of a manufacturer and/or model number, it is intended that the words, "or equivalent" apply. "Or equivalent" means any other brand that is equal in use, quality, economy and performance to the brand listed as determined by the DIVISION. If the supplier lists a trade name and/or catalog number in the bid, the DIVISION will assume the item meets the specifications unless the bid clearly states it is an alternate, and describes specifically how it differs from the item specified. All bids must include complete manufacturer's descriptive literature if quoting an equivalent product. All products are to be of new, unused condition, unless otherwise requested in this solicitation. (c) By submitting the bid the supplier certifies that all of the information provided is accurate, that they are willing and able to furnish the item(s) specified, and that prices quoted are correct. (d) This bid may not be withdrawn for a period of 60 days from bid due date.

3. FREIGHT COST: Suppliers are to provide line item pricing FOB Destination Freight Prepaid. Unless otherwise indicated on the contract/purchase order, shipping terms will be FOB Destination Freight Prepaid.

4. SOLICITATION AMENDMENTS: All changes to this solicitation will be made through written addendum only. Bidders are cautioned not to consider verbal modifications.

5. PROTECTED INFORMATION: Suppliers are required to mark any specific information contained in their bid which they are claiming as protected and not to be disclosed to the public or used for purposes other than the evaluation of the bid. Each request for non-disclosure must be made by completing the "Confidentiality Claim Form" located at: <http://www.purchasing.utah.gov/contractinfo/ConfidentialityClaimForm.doc> with a specific justification explaining why the information is to be protected. Pricing and service elements of any bid will not be considered proprietary. All material becomes the property of the DIVISION and may be returned only at the DIVISION's option. Bids submitted may to be reviewed and evaluated by any persons at the discretion of the DIVISION.

6. SAMPLES: Samples of item(s) specified in this bid, when required by DIVISION, must to be furnished free of charge to DIVISION. Any item not destroyed by tests may, upon request made at the time the sample is furnished, be returned at the bidder's expense.

7. AWARD OF CONTRACT: (a) The contract will to be awarded with reasonable promptness, by written notice, to the lowest responsible bidder that meets the specifications. Consideration will to be given to the quality of the product(s) to be supplied, conformity to the specifications, the purpose for which required, delivery time required, discount terms and other criteria set forth in this invitation to bid. (b) The bids are opened publicly. The name of each bidder and the amount of the bid is recorded. Each bid, and the record, is open to public inspection. (c) The DIVISION may accept any item or group of items, or overall low bid. The DIVISION has the right to cancel this invitation to bid at any time prior to the award of contract. (d) The DIVISION can reject any and all bids. And it can waive any informality, or technicality in any bid received, if

the DIVISION believes it would serve the best interest of the State. (e) Before, or after, the award of a contract the DIVISION has the right to inspect the bidder's premises and all business records to determine the holder's ability to meet contract requirements. (f) DIVISION does not guarantee to make any purchase under awarded contract(s). Estimated quantities are for bidding purposes only, and not to be interpreted as a guarantee to purchase any amount. (g) Utah has a reciprocal preference law which will be applied against bidders bidding products or services produced in states which discriminate against Utah products. For details see Section 63-56-404 and 63-56-405, Utah Code Annotated. (h) Bid tabulations and awards are posted www.purchasing.utah.gov/BidProcessing/BidTabulations.asp. (i) Multiple contracts may be awarded if the DIVISION determines it would be in its best interest.

8. DIVISION APPROVAL: Purchase orders placed, or contracts written, with the State of Utah, as a result of this bid, will not be legally binding without the written approval of the director of the DIVISION.

9. DEBARMENT: The CONTRACTOR certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the CONTRACTOR cannot certify this statement, attach a written explanation for review by the DIVISION.

10. ENERGY CONSERVATION AND RECYCLED PRODUCTS: The contractor is encouraged to offer Energy Star certified products or products that meet FEMP (Federal Energy Management Program) standards for energy consumption. The State of Utah also encourages contractors to offer products that are produced with recycled materials, where appropriate, unless otherwise requested in this solicitation.

11. GOVERNING LAWS AND REGULATIONS: All State purchases are subject to the Utah Procurement Code, Title 63 Chapter 56 U.C.A. 1953, as amended, and the Procurement Rules as adopted by the Utah State Procurement Policy Board. These are available on the Internet at www.purchasing.utah.gov.

(Revision: 2 February 2006 - ITB Instructions)

Standard Contract Terms and Conditions State of Utah, State Cooperative Contract

1. AUTHORITY: Provisions of this contract are pursuant to the authority set forth in 63-56, Utah Code Annotated, 1953, as amended, Utah State Procurement Rules (Utah Administrative Code Section R33), and related statutes which permit the STATE to purchase certain specified services, and other approved purchases for the STATE.

2. CONTRACT JURISDICTION, CHOICE OF LAW, AND VENUE: The provisions of this contract shall be governed by the laws of the State of Utah. The parties will submit to the jurisdiction of the courts of the State of Utah for any dispute arising out of this Contract or the breach thereof. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake Co.

3. LAWS AND REGULATIONS: The Contractor and any and all supplies, services, equipment, and construction proposed and furnished under this contract will comply fully with all applicable Federal and State laws and regulations.

4. RECORDS ADMINISTRATION: The Contractor will maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. These records will be retained by the Contractor for at least four years after the contract terminates, or until all audits initiated within the four years have been completed, whichever is later. The Contractor agrees to allow the State and Federal auditors, and State agency staff, access to all the records to this contract, for audit and inspection, and monitoring of services. Such access will be during normal business hours, or by appointment.

5. CONFLICT OF INTEREST: Contractor certifies that it has not offered or given any gift or compensation prohibited by the laws of the State of Utah to any officer or employee of the STATE or participating political subdivisions to secure favorable treatment with respect to being awarded this contract.

6. INDEPENDENT CONTRACTOR: Contractor will be an independent Contractor, and as such will have no authorization, express or implied to bind the STATE to any agreements, settlements, liability or understanding whatsoever, and agrees not to perform any acts as agent for the STATE, except as expressly set forth herein. Compensation stated herein will be the total amount payable to the Contractor by the STATE. The Contractor will be responsible for the payment of all income tax and social security tax due as a result of payments received from the STATE for these contract services. Persons employed by the STATE and acting under the direction of the STATE will not be deemed to be employees or agents of the Contractor.

7. INDEMNITY CLAUSE: The Contractor will release, protect, indemnify and hold the STATE and the respective political subdivisions and their officers, agencies, employees, harmless from and against any damage, cost or liability, including reasonable attorney's fees for any or all injuries to persons, property or claims for money damages arising from acts or omissions of the Contractor, his employees or subcontractors or volunteers.

8. EMPLOYMENT PRACTICES CLAUSE: The Contractor agrees to abide by the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Also, the Contractor agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.

9. SEVERABILITY: If any provision of this contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

10. RENEGOTIATION OR MODIFICATIONS: The terms of this contract will not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the State Director of Purchasing. Automatic renewals will not apply to this contract.

11. DEBARMENT: The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract), by any governmental department or agency. If the Contractor cannot certify this statement, attach a written explanation for review by the STATE. The Contractor must notify the State Director of Purchasing within 30 days if debarred by any governmental entity during the Contract period.

12. TERMINATION: Unless otherwise stated in the Special Terms and Conditions, this contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the contract may be terminated for cause. This contract may be terminated without cause, in advance of the specified expiration date, by either party, upon 90 days prior written notice being given the other party. On termination of this contract, all

accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.

13. NONAPPROPRIATION OF FUNDS: The Contractor acknowledges that the State cannot contract for the payment of funds not yet appropriated by the Utah State Legislature. If funding to the State is reduced due to an order by the Legislature or the Governor, or is required by State law, or if federal funding (when applicable) is not provided, the State may terminate this contract or proportionately reduce the services and purchase obligations from the State upon 30 days written notice. In the case that funds are not appropriated or are reduced, the State will reimburse Contractor for products delivered or services performed through the date of cancellation or reduction, and the State will not be liable for any future commitments, penalties, or liquidated damages.

14. TAXES: Proposal prices will be exclusive of state sales, use and federal excise taxes. The State of Utah's sales and use tax exemption number is E33399. The tangible personal property or services being purchased are being paid from STATE funds and used in the exercise of that entity's essential functions. If the items being purchased are construction materials, they will be converted into real property by employees of this government entity, unless otherwise stated in the contract, or contract orders. The State of Utah's Federal excise exemption number is 87-780019K.

15. WARRANTY: The Contractor agrees to warrant and assume responsibility for all products (including hardware, firmware, and/or software products) that it licenses, contracts, or sells to the State of Utah under this contract for a period of one year, unless otherwise specified and mutually agreed upon elsewhere in this contract. The Contractor (seller) acknowledges that all warranties granted to the buyer by the Uniform Commercial Code of the State of Utah apply to this contract. Product liability disclaimers and/or warranty disclaimers from the seller are not applicable to this contract unless otherwise specified and mutually agreed upon elsewhere in this contract. In general, the Contractor warrants that: (1) the product will do what the salesperson said it would do, (2) the product will live up to all specific claims that the manufacturer makes in their advertisements, (3) the product will be suitable for the ordinary purposes for which such product is used, (4) the product will be suitable for any special purposes that the STATE has relied on the Contractor's skill or judgment to consider when it advised the STATE about the product, (5) the product has been properly designed and manufactured, and (6) the product is free of significant defects or unusual problems about which the STATE has not been warned. Remedies available to the STATE include the following: The Contractor will repair or replace (at no charge to the STATE) the product whose nonconformance is discovered and made known to the Contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the State of Utah may otherwise have under this contract.

16. PARTICIPANTS: This is a contract to provide the State of Utah government departments, institutions, agencies and political subdivisions (i.e., colleges, school districts, counties, cities, etc.) with the goods and/or services described in the proposal.

17. POLITICAL SUBDIVISION PARTICIPATION: Participation under this contract by political subdivisions (i.e., colleges, school districts, counties, cities, etc.) will be voluntarily determined by the political subdivision. The Contractor agrees to supply the political subdivisions based upon the same terms, conditions and prices.

18. QUANTITY ESTIMATES: The STATE does not guarantee to purchase any amount under the contract to be awarded. Estimated quantities are for proposing purposes only and are not to be construed as a guarantee to purchase any amount.

19. DELIVERY: The prices proposed will be the delivered price to any state agency or political subdivision. Unless otherwise specified by the State, all deliveries will be F.O.B. destination with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage will remain with Contractor until final inspection and acceptance when responsibility will pass to the Buyer except as to latent defects, fraud, and Contractor's warranty obligations. The minimum shipment amount will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an order to be shipped without transportation charges that is back ordered will be shipped without transportation charges.

20. REPORTS: The Contractor will submit quarterly reports to the State Purchasing Agent showing the quantities and dollar volume of purchases by each agency and political subdivision.

21. PROMPT PAYMENT DISCOUNT: Offeror may quote a prompt payment discount based upon early payment; however, discounts offered for less than 30 days will not be considered in making the award. The prompt payment discount will apply to payments made with purchasing cards and checks. The date from which discount time is calculated will be the date a correct invoice is received or receipt of shipment, whichever is later; except that if testing is performed, the date will be the date of acceptance of the merchandise.

22. FIRM PRICES: Unless otherwise stated in the special terms and conditions, for the purpose of award, offers made in accordance with this solicitation must be good and firm for a period of ninety (90) days from the date of proposal opening.

23. PRICE GUARANTEE, ADJUSTMENTS: The contract pricing resulting from this proposal will be guaranteed for the

period specified. Following the guarantee period, any request for price adjustment must be for an equal guarantee period, and must be made at least 30 days prior to the effective date. Requests for price adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the contract will not be effective unless approved by the State Director of Purchasing. The STATE will be given the immediate benefit of any decrease in the market, or allowable discount.

24. ORDERING AND INVOICING: Orders will be placed by the using agencies directly with the Contractor. All orders will be shipped promptly in accordance with the delivery guarantee. The Contractor will then promptly submit invoices to the ordering agency. The STATE contract number and the agency ordering number will appear on all invoices, freight tickets, and correspondence relating to the contract order. The prices paid by the STATE will be those prices on file with the Division of Purchasing. The STATE has the right to adjust or return any invoice reflecting incorrect pricing.

25. PAYMENT: Payments are normally made within 30 days following the date the order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance. Payments may be made via a State of Utah (or political subdivision) "Purchasing Card" (major credit card). All payments to the Contractor will be remitted by mail unless paid by Purchasing Card.

26. MODIFICATION OR WITHDRAWAL OF PROPOSALS: Proposals may be modified or withdrawn prior to the time set for the opening of proposals. After the time set for the opening of proposals, no proposals may be modified or withdrawn.

27. PROPOSAL PREPARATION COSTS: The STATE is not liable for any costs incurred by the offeror in proposal preparation.

28. INSPECTIONS: Goods furnished under this contract will be subject to inspection and test by the Buyer at times and places determined by the Buyer. If the Buyer finds goods furnished to be incomplete or not in compliance with proposal specifications, the Buyer may reject the goods and require Contractor to either correct them without charge or deliver them at a reduced price which is equitable under the circumstances. If Contractor is unable or refuses to correct such goods within a time deemed reasonable by the Buyer, the Buyer may cancel the order in whole or in part. Nothing in this paragraph will adversely affect the Buyer's rights including the rights and remedies associated with revocation of acceptance under the Uniform Commercial Code.

29. PATENTS, COPYRIGHTS, ETC.: The Contractor will release, indemnify and hold the Buyer, its officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention, article or appliance furnished or used in the performance of this contract.

30. ASSIGNMENT/SUBCONTRACT: Contractor will not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the State Director of Purchasing.

31. DEFAULT AND REMEDIES: Any of the following events will constitute cause for the STATE to declare Contractor in default of the contract: 1. Nonperformance of contractual requirements; 2. A material breach of any term or condition of this contract. The STATE will issue a written notice of default providing a period in which Contractor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Contractor's liability for liquidated or other damages. If the default remains, after Contractor has been provided the opportunity to cure, the STATE may do one or more of the following: 1. Exercise any remedy provided by law; 2. Terminate this contract and any related contracts or portions thereof; 3. Impose liquidated damages, if liquidated damages are listed in the contract; 4. Suspend Contractor from receiving future proposal solicitations.

32. FORCE MAJEURE: Neither party to this contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The STATE may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.

33. HAZARDOUS CHEMICAL INFORMATION: The Contractor will provide one set of the appropriate material safety data sheet(s) and container label(s) upon delivery of a hazardous material to the user agency. All safety data sheets and labels will be in accordance with each participating state's requirements.

34. NON-COLLUSION: By signing the proposal, the offeror certifies that the proposal submitted has been arrived at independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the Solicitation, designed to limit independent proposing or competition.

35. PUBLIC INFORMATION: Except as identified in writing and expressly approved by the State Division of Purchasing, Contractor agrees that the contract and related Sales Orders and Invoices will be public documents, as far as distribution of copies, and Contractor gives the STATE express permission to make copies of the contract, the response to the solicitation, and related Sales Orders and Invoices in accordance with the State of Utah Government Records Access and Management Act. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary

information, or copyright information.

36. PROCUREMENT ETHICS: The Contractor understands that a person who is interested in any way in the sale of any supplies, services, construction, or insurance to the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan or reward, or any promise thereof to any person acting as a procurement officer on behalf of the State, or who in any official capacity participates in the procurement of such supplies, services, construction, or insurance, whether it is given for their own use or for the use or benefit of any other person or organization (63-56-1002, Utah Code Annotated, 1953, as amended).

37. ENERGY CONSERVATION AND RECYCLED PRODUCTS: The contractor is encouraged to offer Energy Star certified products or products that meet FEMP (Federal Energy Management Program) standards for energy consumption. The State of Utah also encourages contractors to offer products that are produced with recycled materials, where appropriate, unless otherwise requested in this solicitation.

38. CONFLICT OF TERMS: Contractor Terms and Conditions that apply must be in writing and attached to the contract. No other Terms and Conditions will apply to this contract including terms listed or referenced on a Contractor's website, terms listed in a Contractor quotation/sales order, etc. In the event of any conflict in the contract terms and conditions, the order of precedence shall be: 1. Attachment A: State of Utah Standard Contract Terms and Conditions; 2. State of Utah Contract Signature Page(s); 3. Additional State Terms and Conditions; 4. Contractor Terms and Conditions.

39. LOCAL WAREHOUSE AND DISTRIBUTION: The Contractor will maintain a reasonable amount of stock warehoused in the State of Utah for immediate or emergency shipments. Shipments are to be made in the quantities as required by the various ordering agencies. Orders for less than the minimum specified amount will have transportation charges prepaid by the Contractor and added as a separate item on the invoice. Any portion of an order to be shipped without transportation charges that is back ordered will be shipped without charge.

40. ENTIRE AGREEMENT: This Agreement, including all Attachments, and documents incorporated hereunder, and the related State Solicitation constitutes the entire agreement between the parties with respect to the subject matter, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. The terms of this Agreement shall supersede any additional or conflicting terms or provisions that may be set forth or printed on the Contractor's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of the Contractor that may subsequently be used to implement, record, or invoice services hereunder from time to time, even if such standard forms or documents have been signed or initialed by a representative of the State. The parties agree that the terms of this Agreement shall prevail in any dispute between the terms of this Agreement and the terms printed on any such standard forms or documents, and such standard forms or documents shall not be considered written amendments of this Agreement.

Revision date: 2 Feb 2006